



State of Utah

School and Institutional
TRUST LANDS ADMINISTRATION

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Olene S. Walker
Governor

Kevin S. Carter
Director

m/037/088

March 30, 2004

RECEIVED

MAR 31 2004

DIV OF OIL GAS & MINING

Mr. Gregory Hahn
SUMMO USE Corporation
1776 Lincoln Street, Suite 900
Denver, Colorado 80203

Re: Approval of Drilling Proposal, SUMMO USA Corporation, Lisbon Valley Mine,
San Juan County, Utah, Metalliferous Minerals Lease ML 20569, DOGM File
M/037/088.

Dear Mr. Hahn:

The School and Institutional Trust Lands Administration ("Trust Lands Administration"), in conjunction with the Division of Oil, Gas and Mining ("DOGM") has completed review of your proposal to drill 29 exploration/development holes in the existing Centennial Pit of the Lisbon Valley Project. Of the 29 holes 8 will be drilled on trust lands in Section 36, T. 30 S., R. 25 E. which is held by lease to Lisbon Valley Mining Company LLC.

The Trust Lands Administration has also reviewed the DOGM bonding proposal as outlined in their approval letter, dated March 25, 2004. The proposal outlines a drilling and reclamation schedule that will not require additional reclamation bonding. Under the proposed drilling and reclamation schedule the Trust Lands Administration will not require any additional reclamation bonding in addition to what is now posted with DOGM.

By this letter the Trust Lands Administration approves commencement of the drilling plan as proposed by the DOGM. As with DOGM, if you cannot accept the proposed reclamation plan please inform the Trust Lands Administration of your alternative bonding method.

Sincerely

William M. Stokes
Minerals Resource Specialist

Cc: D. Wayne Hedberg, DOGM
Paul Baker, DOGM
Gochmour & Associates, Inc.

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